(c) whether Government have taken note of the visit by the Pakistan Army Chief to Bangladesh during the last month;

(d) whether Government are taking any initiative to find mutually acceptable solution to long-standing bilateral issues with neighbouring countries, particularly with Pakistan; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO): (a) and (b) The international community has been apprised of Pakistan's support to terrorism and subversion directed against India. There is widespread understanding of India's position.

(c) Yes, Sir.

(d) and (e) Government are convinced of the imperative necessity of establishing a tension free and good neighbourly relationship with Pakistan in accordance with the Shimla Agreement, under which all differences with Pakistan are to be resolved bilaterally and peacefully. In an effort to reduce tensions, Government proposed a package of Confidence Building Measures in May, 1990. Pursuant to this, five rounds of Foreign Secretary level talks have taken place. Another round of these talks is expected to be held soon.

In the overall context of the priority being accorded to strengthening relations with our neighbours, there are no outstanding bilateral issues with Bhutan and with Maldives. Relations with Nepal have been further strengthened following the visit to India in December, 1991 of the Prime Minister of Nepal.

With Sri Lanka, Government have taken steps to improve bilateral relations through the setting up of the Indo-Sri Lanka Joint Commission which "held its first Session in Delhi in January, 1992 which provided an opportunity to express Government's continued interest in an early and peaceful resolution of the ethnic situation in North-East Sri Lanka.

With Bangladesh, there are on-goiu discussions for finding acceptable solutioi to long standing bilateral issues such *i* illegal immigration, Chakma refugees an sharing of river waters.

With Myanmar, bilateral issues such ! boundary demarcation, maintenance < Border Pillars, trans-border terrorism are dmg traffic, repatriation of Myanm; refugees and fishermen continue to 1 discussed.

Government is sincerely committed further developing friendly, mutually ben ficial and good neighbourly relationsh with China and to resolve all outstandii problems and differences peacefully throuj dialogue.

**Earth Summit in RIO DE Janeiro**

*88. SHRI MURLIDHAR CHANDR KANT BHANDARE:
SHRI KAMAL MORARKA:

Will the Minister of EXTERN; AFFAIRS be pleased to state:

(a) whether Government have formulal its strategy for the forthcoming Eai Summit in Rio de Janeiro especially w regard to the proposal for creation of environmental commission at par with U. N. Commission for Human Rights;

(b) if so, the details in this regard;

(c) whether Government have recer the recent study report of the Washing based WorldWatch Institute urging adoption of a treaty, with sanctions s aid from the developed to develop countries for measures to protect the glo environment at the forthcoming *Be* Summit, if so, the broad features ther and the Government's reaction thereto'

THE MINISTER OF STATE IN T MINISTRY OF EXTERNAL AFFAL (SHRI EDUARDO FALEIRO): (a) i (b) At the Earth Summit in Rio de Jane the Government of India will work towa the establishment of a regime for in national cooperation for the protection the environment which takes Into acco the need for developing countries to achi

the desired pace of development. India will urge provision of adequate, new and additional financial resources and transfer of technology on preferential basis in order to enable developing countries to adopt environment friendly technologies.

(c) Several recent publications of the World Watch Institute deal with arrangements for the protection of global environment. Currently, Global Conventions are under negotiations on climate change and biodiversity. India is actively participating in these negotiations.

## Shortage of Finance for States' Annual Plans

*89. SHRI SOM PAL:

SHRIMATI MIRA DAS :

Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state :

(a) whether it is a fact that several States are running short of finance for their annual plans;

(b) if so, the details and reason* for shortfall; and

(c) whether it is a fact that the Central support to States has gone up yet States are falling short of their targets ?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI H. R. BHARDWAJ): fa) Yes, Sir.

(b) Several States' Balance from Current Revenue (BCR) for financing the Plan deteriorated in 1990-91 and 1991-92. The deterioration was mainly due to increase in non-Plan revenue expenditure.

(c) Yes, Sir.

## Cost Audit for Companies

*90. CHOWDHARY RAM SEWAK:

SHRI RAJNI RANJAN SAHU:

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) what are the industries which are proposed to be subjected to Cost Audit;

(b) by when Cost Audit on these industries would be imposed;

(c) what is the progress in the appointment of Cost Auditors and how many requests with details thereof are pending
with his Ministry; and

(d) what are the details of Cost Audit reports which have been scrutinised by hit Ministry in 1991-92 and what are the findings in each case ?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI K. VIJAYA BHASKARA REDDI): (a) and
Mi) Prescribing of Cost Audit in respect of industries engaged in production, processing. manufacturing or mining activities is a continuous exercise. In addition to 36 industries (list as per statement I *(See* below) which are presently under Cost Audit, Government have recently initiated steps to extend statutory cost audit to products like Fertilizers, Industrial Gases, Edible Oils, Toilet Preparations like Soaps, Tooth Pastes and Detergents and Pesticides. The Cost Audit Orders on these industries will be issued after notifying the Cost Accounting record (Rules) in each case.

(c) After the cost audit order is issued, the Company has to make a request for the appointment of Cost Auditor. As soon as the request is received, it is processed and if all the requirements are fulfilled, the orders appointing Cost Auditor are issued. In case there are deficiencies the company is asked to furnish the requisite information. Orders has been issued in respect of all applications received upto Feb. 92 which were complete in all respects and which fulfilled all the requirements.

(d) 261 Cost Audit Reports were scruti nised by the Deptt, during 1991-92 and a list of cases brought to the notice of its respective Administrative Ministries is given in the Statement II.